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January 28, 2009

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"With our economy in freefall and millions of Americans losing their jobs, doing nothing is not an option," said Rep. Melancon. "We must act now to turn our economy around, or we will slip even deeper into recession.

"I am supporting the American Economic Recovery and Reinvestment Plan because it will make targeted investments in infrastructure, education, health care, broadband technology, and energy independence. With this bill, we will also provide some much-needed relief to laid-off workers and states, like Louisiana, that face serious budget deficits. Individuals and businesses will also be buoyed by \$275 billion in targeted tax cuts that will help spur economic recovery.

"Like many Louisianians, I was concerned the some of the spending in this bill appears to be for non-emergency purposes, and I worked with the fiscally conservative Blue Dog Coalition to get some of those provisions stripped from the bill. No bill will ever be perfect, but it's important that we take decisive action to help our economy recover, and the good in this bill far outweighs the bad. The Recovery Plan is a solid combination of targeted investments and tax relief needed to get our economy moving again, and I feel we must support it."

The state of Louisiana will receive an estimated \$5.15 billion from the Recovery Plan. The combination of funding and tax breaks will be crucial at a time when our state is facing a multi-billion dollar budget shortfall. Some of the funding Louisiana could receive includes:

- Medicaid: \$1.55 billion over three years.
- Transportation: \$471 million for roads and bridges, \$57 million for transit.
- Clean Water: \$64 million to enhance water and wastewater systems.
- State Fiscal Stabilization Fund: \$945 million over two years.

- Aid to high-need schools: \$269 million over two years. (Title I funding, <u>click here</u> for district by district breakdown)
- Education for disabled children: \$217.5 million over two years. (IDEA funding, <u>click here</u> for district by district breakdown)
- Schools: \$383 million for modernization, renovation and repair. (<u>Click here</u> for district by district breakdown)
 - Educational technology: \$18.5 million.
 - College loans: \$427 million for Pell grants.
 - Block grants: \$23.5 million in Community Services Block Grants.
 - Senior citizens: \$2.8 million for Elderly Nutrition Services.
 - Fighting crime: \$52.5 million for law enforcement grants.

The package also includes \$275 billion in targeted tax cuts for individuals and businesses to help spur economic recovery. The Making Work Pay Credit will provide a tax credit of \$500 per worker for single workers earning up to \$100,000 and married couples earning up to \$200,000. An estimated 1,438,000 workers in Louisiana will get a tax credit under this bill.

<u>Click here</u> for a fact sheet outlining in greater detail the Recovery Package's investments in tax relief, infrastructure, health care, energy, unemployment relief, education, and science and technology. More information about the Recovery Package, including state-by-state funding breakdowns, can be found online by clicking <u>here</u>.

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